

COLLEGE STUDENT TEXTBOOK ACQUISITION

AN EXPLORATORY STUDY

Matthew K. McGowan, Professor

Foster College of Business
Bradley University
Peoria, Illinois

Paul R. Stephens, Associate Professor

Foster College of Business
Bradley University
Peoria, Illinois

ABSTRACT

The past ten years have seen an increase in the number of ways students can acquire textbooks. The traditional purchase of printed textbooks from the campus bookstore still exists, but now students can purchase e-books, buy online, or rent from either the campus bookstore or from an online provider. This research is an exploratory study of college student textbook acquisition. In this paper, we review the literature regarding the textbook acquisition process. We developed and administered a survey instrument to examine students' textbook acquisition patterns. We find that most students acquire their textbooks using more than one source. Eighty six percent of the students surveyed use more than one source for textbooks. Of those students who rely on only one source, half use the campus bookstore. A majority of students use both the campus bookstore and an online retailer. We also observe that the student's year in school is somehow related to their acquisition method.

INTRODUCTION

The rapid changes in technology have significantly affected college students and the entire college education framework over the past 20 years. One way technology has affected college students is in the acquisition and use of textbooks. Textbooks play an important role in college students' education. They are often necessary for satisfactorily passing a course: many instructors expect students to read the textbook to supplement in-class learning, or to work exercises in the book.

Textbook costs represent a significant portion of a college student's college expenses. The average price for a new textbook has increased from \$56 in 2006/07 to \$68 in 2012/13) (NACS, 2013). Students spend an average of \$1200 per year on books (Senack, 2014), representing a significant portion of a student's budget. The size of the college textbook market has also grown. The number of students in college has increased in the past ten years and the cost of textbooks has also risen in that time. That has resulted in overall sales of college textbooks growing from \$8.6 billion in 2003 to \$10.45 billion in 2012 (NACS, 2013). Technology has brought about other changes in the college textbook market.

The growth of the Internet resulted in the availability of online textbook purchasing in the late 1990s. Responding to public pressure to reign in cost of textbooks, publishers introduced digital textbooks (e-books) in the mid-2000s. Although e-books have not had much impact on the textbook market, other changes have disrupted the textbook market (Martin, 2013). Recently, the most significant change in the market occurred in the latter 2000s when textbook rental became available. The following section discusses the changes that have occurred in the textbook acquisition process.

Textbook Acquisition

Before the advent of the Internet, students obtained textbooks the old-fashioned way: purchase them from the campus bookstore. They could choose to purchase new or used books. Students at larger universities may have had other bookstores near campus from which to choose, so they have had a second type of choice to make. The acquisition process meant going to the bookstore, searching the shelves, selecting their books, and then standing in line to make their purchases. Although students still have that option today, students can also go online to obtain their books.

Online Purchasing

Online book buying became available in the late 1990s. Kranberg (1999) noted that students could find out the price, shipping charges, and delivery time by spending a few minutes online, and noted that college students were already the group that spent the most time online. Early researchers tried to understand why students bought textbooks online. Talaga and Tucci (2001) found that five attributes were important to students in purchasing textbooks online: price, buyback policy, return policy, ease of returns, shipping cost, and availability of the book at the local campus bookstore. Foucal and Scheufele (2002) looked at factors related to motivation theories as predictors of online textbook purchasing and found that previous purchase online, knowledge of online retailers, and perceptions that needs would be met were all significant predictors. Yang, Lo, and Lester (2003) found that possession of computer/Internet skills, having a retentive attitude towards money, and dissatisfaction with the university bookstore were all predictors of purchasing textbooks online. Zhang and Prybutok (2005) found that possession of computer/Internet skills is associated with satisfaction in online purchasing. The prevailing belief today is that Internet purchases have become so common that no special skills are needed for online purchasing. While the availability of online purchasing was still a relatively new phenomenon, the textbook market changed again. The early 2000s saw the introduction of e-books as an alternative method to acquire textbooks.

The Promise of E-books

The rapid changes in technology over the past two decades, including the Internet and digital media, led many people to predict that e-books would replace printed books. The Wall Street Journal (Kang, 2004) touted the availability of digital books as a way to drive down the cost of textbooks. In recent years, e-book growth has exceeded growth of print books in the consumer market (Greenfield, 2013). However, sales in 2013 marked an end to that trend, with the growth in sales of hard-cover books outpacing growth in sales of e-books (Greenfield, 2013). E-book sales represented about one quarter of all consumer book sales in 2012 (Martin, 2013). Sales of college textbooks in digital formats have not grown at the same pace as sales of other digital books. Dimaria (2012) cites a recent study that found e-books only represent 10 percent of the college textbook market. Martin (2013) cites a study by the firm Student Monitor that said only 2% of students surveyed acquired all their books in digital form. Chulkov and VanAlstine (2013) found no difference in performance between students using e-books versus those using printed textbooks for their economics courses. Prior

research suggests that students have a strong preference for printed books since current digital books offer limited highlighting and note-taking (McGowan, Stephens, and West, 2009).

Textbook Rental

The late 2000s saw the introduction of textbook rentals as a way for students to acquire their needed textbooks. Chegg is considered one of the pioneers of textbook rentals, having started in 2005 under the name of TextbookFlix.com (Rosen, 2013). The Wall Street Journal suggested students might save 40 to 70 percent on textbook costs by renting, but cautioned students to pay attention to due dates and maintaining the condition of the book (Marte, 2009). Other online textbook providers have emerged, and many campus bookstores now also offer book rentals. Returning rental books also solves the problem of buybacks. Rental options may provide a convenience that is not found through other textbook acquisition options. The rental model may be undergoing further changes: the three rental leaders, Chegg, CampusBookRentals, and Rafter are looking at ways to enhance the services that come with textbook acquisition (Rosen, 2013). Publishers are looking at providing free digital access to renters until their printed copy arrives, and to transform the company into a connected learning platform (Rosen, 2013).

Research Questions

The changes in textbook acquisition options for college students led us to question what acquisition practices are being used by current students. Now that students have a choice, do they prefer a particular acquisition method? Do they employ more than one method? Do they use more than one source (bookstore/on-line) for their books? Do such demographic factors such as age, gender and year in school play a role in such choices?

Before designing a study that answers the question of why students choose particular acquisition methods, we wanted some insights into what methods of textbook acquisition they are using. Therefore, as an exploratory study, we use simple descriptive methods to parse the data in order to discover further lines of inquiry for the future. This paper represents the results of such an exploratory study. This paper also provides suggestions for areas of inquiry that should lead to important findings for publishers, retailers, and faculty.

RESEARCH METHODOLOGY

Since the purpose of this study was to gain insights into how students choose to acquire textbooks, our survey

frame was focused on individuals enrolled in college. We conducted our research at a private university in the Midwestern U. S. We administered the questionnaire to students in ten management classes representing four different courses. Students were instructed to fill out the questionnaire based on their textbook acquisition within the most recent two semesters. We also collected information on gender, year in school (freshman, sophomore, junior, senior, graduate), and age. We received 285 responses, of which 278 were usable.

Results of the Study

There are currently four possible methods for students to acquire their textbooks: (1) buy at their local bookstore; (2) rent from their local bookstore; (3) purchase from on-line retailers; or (4) rent from on-line retailers. Students can choose to rent or buy, and students can choose the source of retailer: bookstore or on-line.

Acquisition Methods and Sources

About 16% of the students surveyed only used one of these four options to acquire their textbooks over the most recent two semesters. The rest of the students in the survey used at least two different options for the acquisition of their books. Table 1 illustrates that most students used two different options.

TABLE 1 NO. OF ACQUISITION METHODS USED BY STUDENTS OVER THE MOST RECENT TWO SEMESTERS		
Acquired using a single method	44	15.8%
Acquired using 2 methods	173	62.2%
Acquired using 3 methods	51	18.3%
Acquired using all four methods	10	3.6%
Total	278	

Most students are using more than a single method for acquiring their textbooks. Those that did may not have had a choice. It could be that textbooks are not available under all four methods. Talaga and Tucci (2001) found that availability of textbooks at the bookstore affected whether students purchased books online. One advantage local bookstores have over other sources, is that they gather the required textbook information from the faculty. The local bookstore is most likely to always have the textbook the student needs for class. Custom books might only be available at the bookstore. If one considers service convenience, perhaps the local bookstore can provide experienc-

es in ways the on-line retailer cannot. When it comes to service convenience, the on-line retailer may also provide conveniences that the bookstore cannot. For example, on-line options are generally available 24/7. A brief foray into the literature on service convenience reveals that there are five dimensions of service convenience: Decision, Access, Benefit, Transaction and Post Benefit (Berry, Seiders, and Grewal, 2002). One could speculate that there advantages to both local bookstores and on-line retailers in terms of these dimensions.

We further analyzed the students who only used one method to acquire their books. We found that 50% of these students only purchased from the local bookstore and 50% only used on-line sources. We compared this to students who use exactly two methods for acquisition: 22.5% of these students exclusively used the local bookstore (rent and buy) and 34.1% exclusively used on-line retailers (rent and buy). There are some students who have a scholarship or other funding that requires that they acquire their textbooks a certain way, for example, at the bookstore. See tables 2 & 3.

TABLE 2 STUDENTS WHO ONLY USED ONE METHOD TO ACQUIRE TEXTBOOKS		
Only Purchased at Book Store	22	50.0%
Only Rented at Book Store	0	0.0%
Only Purchased on Line	17	38.6%
Only Rented on Line	5	11.4%
Total	44	

TABLE 3 STUDENTS WHO USED TWO METHODS TO ACQUIRE TEXTBOOKS		
Rented & Bought from Bookstore	39	22.5%
Rented & Bought On-Line	59	34.1%
Bought On-line & from Bookstore	49	28.3%
Rent On-Line & Bought Bookstore	12	6.9%
Rented On-Line & from Bookstore	8	4.6%
Rent Bookstore & Bought On-Line	6	3.5%
Total	173	

A majority of students exclusively used only one source for acquiring books (bookstore or on-line retailers): 142 out of 278 or 51%. Analyzing students who used a single source we found that 61 exclusively used the bookstore and 81 exclusively used on-line resources. See Table 4.

TABLE 4 STUDENTS WHO EITHER EXCLUSIVELY USE THE LOCAL BOOKSTORE OR ON-LINE SOURCES			
	#	% of Exclusive	% of All
Exclusively from Bookstore	61	43.0%	21.9%
Exclusively On-Line	81	57.0%	29.1%
Total	142		51.1%
All Survey Respondents	278		

Clearly, on-line competition has established an edge in the market (at least at this one university) and one wonders if the gap will continue to widen. Some online renters are beginning to introduce additional services (Martin, 2013). Will bookstores be able to provide convenience services that allow them maintain or increase market share?

Gender Differences

At early stages of Internet growth, men were earlier adopters than women. Today many Internet users, regardless of gender, make purchases over the Internet. We analyzed whether there are any acquisition differences between men and women. The number of men and women who use a single source versus multiple sources almost exactly mirrors the entire sample. See Table 5.

TABLE 5 GENDER BREAKOUT OF TEXTBOOK ACQUISITION				
	Male	Female		
Single Source	25	15.2%	19	16.8%
Multiple Sources	140	84.8%	94	83.2%
Total	165		113	

The results did not merit any further analysis of gender differences based on on-line versus local bookstore acquisition.

Analysis by Year in School

We speculated that a student's current status (year in school) would have an impact on acquisition choice. We thought that freshmen, who are new to the process, might prefer the local bookstore. We also posited that Juniors or Seniors who are taking their upper level classes might be more inclined to purchase their textbooks to keep as references. We analyzed the number of methods used (single versus multiple) by year in school. Surprisingly, freshmen were the least likely to use a single method and the gradu-

ate students the most likely to use a single method. The number of graduate students in our study was low, so we cannot generalize our discussion. However, the high percentage of graduate students who used a single method for acquisition merits further investigation. We conjecture that freshmen were most likely to use multiple methods is because they are the most likely to have grown up in a world where e-commerce is common place and ubiquitous. See Table 6.

TABLE 6 NUMBER OF METHODS OF ACQUISITION BY YEAR IN SCHOOL						
	Freshman	Sophomore	Junior	Senior	Graduate	Totals
Single Method	1	8	21	7	7	44
	2.0%	17.0%	18.4%	12.3%	63.6%	15.8%
Multiple Methods	48	39	93	50	4	234
	98.0%	83.0%	81.6%	87.7%	36.4%	84.2%
	49	47	114	57	11	278

We further analyzed the group of students who only used a single source (bookstore/on-line) for acquiring their textbooks. See Table 7. Sophomores and Juniors are slightly above average and Seniors are slightly below in the number of methods of acquisition they used. The percentage of graduate students who acquired books exclusively from the bookstore was higher than for any other group. One possible explanation is that graduate students are less price-sensitive, so they choose the convenience of the bookstore. Another possible explanation is that graduate students are not as comfortable buying books on-line, perhaps due to lower computer self-efficacy.

TABLE 7 STUDENTS WHO PURCHASE EXCLUSIVELY BY YEAR IN SCHOOL						
	Freshman	Sophomore	Junior	Senior	Graduate	All
Exclusively from Bookstore	8	7	26	14	6	61
	53.3%	29.2%	40.0%	48.3%	66.7%	43.0%
Exclusively On-Line	7	17	39	15	3	81
	46.7%	70.8%	60.0%	51.7%	33.3%	57.0%
Total	49	47	114	57	11	278
% of Total	30.6%	51.1%	57.0%	50.9%	81.8%	51.1%

Rent versus Buy

We analyzed whether students prefer to rent books or buy books. We found that just under half (46%) of the students reported renting on-line and just under one third (32.7%) of the students reported renting from the bookstore. Most students reported they have purchased on-line (67.6%) or from the bookstore (63.7%). The percentages do not add up to 100 percent because most students use more than one method to acquire books. See Table 8.

TABLE 8 PERCENTAGE OF STUDENTS WHO REPORTED ACQUISITION FROM EACH SOURCE		
	On-Line	In Store
Buyers	188	177
% of Students	67.6%	63.7%
Renters	128	90
% of Students	46.0%	32.4%

We don't know if these figures reflect true preference to purchase or if they simply reflect the fact that availability of rentals has not reached full market penetration. Students may want to rent in some cases and rentals are not available. Students may prefer to purchase books when they plan to keep them for future reference (Stone, Baker-Eveleth, 2013). Some students need a textbook for a course in their major and they want to keep the textbook when they are done with the class. These students usually want a new textbook (Stone, Baker-Eveleth, 2013).

Future Research

This research study was an exploratory look at college student acquisition of textbooks. Although the results were descriptive, the study results raise questions that suggest lines of inquiry which need further research. The table below (Table 9), we have identified various research questions that we think would be of interest to other researchers, faculty in general, and stakeholders in the college textbook market.

CONCLUSIONS AND IMPLICATIONS

This research examined the textbook acquisition of students at a medium-sized private university in the Midwest. Students can choose to rent or buy, and students can choose the source of retailer: bookstore or on-line. There are currently four possible methods for students to acquire their textbooks: (1) buy at their local bookstore; (2) rent from their local bookstore; (3) purchase from on-line retailers; or (4) rent from on-line retailers. Many students still choose to use the campus bookstore. By

TABLE 9 POTENTIAL RESEARCH QUESTIONS RELATED TO TEXTBOOK ACQUISITION	
1. What factors impact choice of acquisition method?	
2. What role does Service Convenience play in the textbook acquisition process	
3. Are there trends in the textbook acquisition process over time?	
4. How important is Service Quality in the textbook acquisition process?	
5. Can complementary services influence students' preferred acquisition methods?	
6. Are there factors faculty should consider when choosing textbooks for their classes?	
7. How do supplementary materials affect textbook acquisition choices?	
8. Is the textbook acquisition method associated with a student's attitude toward a class?	
9. What factors influence students to buy and keep textbooks?	
10. "Buyer (renter) remorse" – do students ever regret their acquisition choices and why?	
11. What factors would lead students to acquire more electronic textbooks?	
12. What role do publishers play in textbook acquisition?	

having a physical presence at a college, bookstores have a potential competitive advantage. Most students use two acquisition methods, and some students use more methods. Although bookstores are sometimes the sole source of books for students, bookstores need to find ways to make themselves the preferred choice. Based on our study, improving the rentals of books from the bookstore might be one area bookstores can improve performance. The college textbook market is evolving. Students are taking advantage of the increasing number of alternatives in how they acquire textbooks. Retailers need to continuously adjust their strategies and services to maintain market share. As for faculty, we should probably be more aware of these options and take them into consideration when choosing a textbook for a course.

REFERENCES

Berry, L. L., Seiders, K. and Grewal, D. (2002). Understanding service convenience. *Journal of Marketing*, 66(July), 1-17.

Chulkov, D. V. and Van Alstine, J. (2013). College Student Choice Among Electronic and Printed Textbook Options. *Journal of Education for Business*, 88: 216-222.

Colwell, S. R., Aung, M., Kanetkar, V., and Holden, A. L. (2008). Toward a measure of service convenience: multiple-item scale development and empirical test. *Journal of Services Marketing*, 22(2), 160-169.

Dimaria, F. (2012) New Textbook Publishing Model for the Internet Age. *Education Digest: Essential Readings Condensed for Quick Review*, 77(5) (January), 50-54.

Foucault, B. E., and Scheufele, D. A. (2002) Web vs. campus bookstore? Why students buy textbooks online. *The Journal of Consumer Marketing*, 19:4/5 409-423.

Greenfield, J. (2013). Hardcover Sales Growth Outpacing Ebooks in 2013. Available at <http://www.forbes.com/sites/jeremygreenfield/2013/11/19/hardcover-sales> Accessed April 26, 2014.

Kang, S. (2004) New options for cheaper textbooks; under fire for higher prices, publishers push alternatives; renting your chem book. *The Wall Street Journal*, Aug. 24: D.1.

Kranberg, S. (1999) Online retailing explosion hits the tranquil college textbook market. *Publisher's Weekly*, May 3, 20-22.

Marte, J. (2009) Tip of the week: Try renting textbooks. *The Wall Street Journal*, Sept. 20: 1.

Martin, A. (2013) Will the real textbook industry disruptor please stand up. Forbes.com: November 15. Online at: <http://www.forbes.com/sites/realspin/2013/11/15/will-the-real-textbook-industry-disruptor-please-stand-up/>. Accessed April 4, 2014.

McGowan, M. K., Stephens, P. R., and West, C. (2009) Student perceptions of electronic textbooks. *Issues in Information Systems*, 10:2, 459-465.

NACS—National Association of College Stores. (2013). Higher education retail market facts & figures, 2013. Retrieved January 8, 2013, from <http://www.nacs.org/research/industrystatistics/higheredfactsfigures.aspx>.

Rosen, J. (2013) Beyond book rental: the next big thing on campus. *Publisher's Weekly*, January 21, 8-9.

Senack, E. (2014) Survey shows students opting out of buying high-cost textbooks. U. S. Public Interest Research Group news release January 27, 2014. Available online at <http://www.uspirg.org/news/usp/survey-shows-students-opting-out-buying-high-cost-textbooks>, Accessed April 26, 2014.

Stone, R. W., and Baker-Eveleth, L. J. (2013) Students' intentions to purchase electronic textbooks. *Journal of Computing in Higher Education*, 25:27-47.

Talaga, J. A., and Tucci, L. A. (2001) Consumer tradeoffs in on-line textbook purchasing. *The Journal of Consumer Marketing*, 18:1 10-20.

Yang, B., Lo, P., and Lester, D. (2003) Purchasing textbooks online. *Applied Economics*, 35: 1265-1269.

Zhang, X. and Prybutok, V. R. (2005). A consumer perspective of e-service quality. *IEEE Transactions on Engineering Management*, 52(4), 461-471.